

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

April 28, 2006

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Island of Hawaii

Consent to Assign Perpetual, Non-Exclusive Easement (LOD No. S-27,613),
Puuwaawaa Waterworks, Inc., Assignor, to Napu'u Water, Inc., Assignee,
Puuwaawaa and Puuanahulu, North Kona, Hawaii
Tax Map Keys: 3rd/ 7-1-01: Por. of 6 and 3rd/ 7-1-04: Por. of 18

APPLICANT:

Puuwaawaa Waterworks, Inc, as Assignor, to Napu'u Water, Inc, a Hawaii non-profit corporation, whose business and mailing address is c/o Blake W. Bushnell, 737 Bishop Street, Suite 3000, Honolulu, Hawaii 96813, as Assignee.

LEGAL REFERENCE:

Section 171-13(2), Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situated at Puuwaawaa and Puuanahulu, North Kona, Hawaii, identified by Tax Map Key: 3rd/ 7-1-01: Por. of 6 and 3rd/ 7-1-04: Por. of 18, as shown on the attached map labeled Exhibit A.

AREA:

3.148 acres, more or less.

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CHARACTER OF USE:

Right, privilege and authority to construct, use, operate, reconstruct, improve, repair and maintain a water pipeline.

ASSIGNMENT CONSIDERATION:

\$ 25,000.00

RECOMMENDED PREMIUM:

Not applicable in the case of an easement.

DCCA VERIFICATION:

ASSIGNOR:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Good standing confirmed:	NO

ASSIGNEE:

Place of business registration confirmed:	YES
Registered business name confirmed:	YES
Good standing confirmed:	YES

REMARKS:

Pursuant to the Board's approval at its meeting of November 16, 1984, a perpetual, non-exclusive easement was issued to F. Newell Bohnett dba Puuwaawaa Ranch by way of a Grant of Easement dated December 16, 1986.

Subsequently, pursuant to the Board's approval at its meeting of January 25, 1991, the subject easement was assigned from F. Newell Bohnett to Puuwaawaa Waterworks, Inc. by way of an Assignment of Easement dated December 17, 1990 and Consent to Assignment dated June 21, 1993 executed by the Chairperson of the Board of Land and Natural Resources.

As a result of bankruptcy filing (Case No. 03-01416) by Puuwaawaa Waterworks, Inc., a Purchase Agreement between Assignor and Assignee has been negotiated subject to Bankruptcy Court approval. The Assignor is a non-profit corporation primarily made up of the homeowners in Puu Lani Ranch subdivision that are the primary users of the water system.

As this is a transaction emerging out of the bankruptcy process, staff sees no reason to object to the assignment. However, staff would point out that the department has a certain stake in this water system as it currently provides domestic water and agricultural water to our lands in both Puuwaawaa and Puuanahulu that are currently managed by our Division of Forestry of Wildlife. The system provides domestic water for the various existing homes and agricultural water for grazing.

Staff is recommending that the Board authorize the consent to assignment of the perpetual, non-exclusive easement.

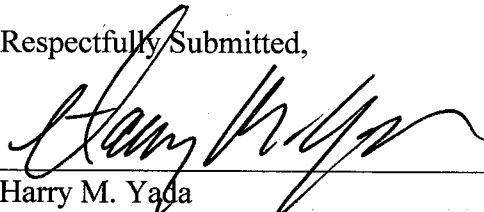
Assignee has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

RECOMMENDATION:

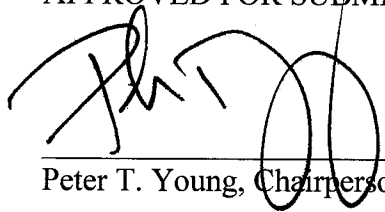
That the Board consent to the assignment of the perpetual, non-exclusive easement identified as Grant of Easement and Land Office Deed No. S-27,613 from Puuwaawaa Waterworks, Inc., as Assignor, to Napu'u Water, Inc, as Assignee, subject to the following:

1. The standard terms and conditions of the most current consent to assignment of easement form, as may be amended from time to time;
2. Review and approval by the Department of the Attorney General; and
3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,


Harry M. Yada
District Land Agent

APPROVED FOR SUBMITTAL:


Peter T. Young, Chairperson

True North
1" = 2000'

REDUCED SCALE

True North
 $\frac{1}{12,000}$

PLAN

State of Hawaii

wey barynpap aq aq are
sore phahams we aqwerd
pafedojun uoyh : woy

023E2YE

151801

CHITURANA

520

5951.563 Acg. (pt.)

F. Norelli Bohmelt & inf.
Nada V. - NYC
2-755-053.
TAK 5172 LAR
Gr. 10836

13.049.1 Acc. (p11)

P L A Y
ORTH KON

SECTION 2

PUUWAAKAA (MALIKA), N. KONA, HAWAII

EXHIBIT A

Dwg. No. 2001
Source : Survey Office - (Reg. Map. 2053
By : R.D. - Feb. '56

PRINTED

THIRD	DIVISION	
ZONE	SEC.	PLAT
7	1	01

CONTAINING PARCELS

SCALE: lin. = As noted

Dwg. No.: 2609
Source: Survey Office - Reg. Map 2699
By: RB - Feb. 1956

EXHIBIT A

PULANAHULU MAUKA, N. KONA, HAWAII

Parcels dropped. 2,3,4

THIRD	DIVISION	
ZONE	SEC.	PLAT
7	1	04

CONTAINING 5 PARCELS
SCALE: 1 in = 3000 ft

CONCLUSION

